



Governor Terry E. Branstad Lt. Governor Kim Reynolds San Wong, Director

# MINUTES Iowa Commission on the Status of Women January 6, 2017 Conference call

# Commissioners present on the phone

Phyllis Peters, chair Sean Bagniewski Tom Carnahan David Gudenkauf Rachelle Hunt Russian Sherill Whisenand

### **Commissioners absent**

Elizabeth Coonan

#### DHR/ICSW staff

Monica Stone, Deputy Director, Iowa Department of Human Rights Kristen Corey, Program Planner, Office on the Status of Women

# Members of the public - present for all or part of the meeting

Ryan Page, Iowa Department of Human Services (DHS) Julie Allison, Iowa Department of Human Services

## Call to order

Call to order by Chair Phyllis Peters at 11:04 a.m.

Motion to approve agenda: Made by Carnahan; seconded by Gudenkauf. Aye: all

No: 0

Motion carried.

### Presentation on Child Care Assistance in the state of Iowa

Ryan Page, Child Care Regulatory Program Manager (Team Lead) for the Iowa Department of Human Services' Division of Adult, Children & Family Services presented to the Commission about Child Care Assistance in the state of Iowa.

Page gave a general overview of the state of child care and working families in lowa which included:

- lowa is #1 in the nation with the number of families with all parents working outside of the home; national average is 65%.
- Families pay more for child care, on average, than for tuition at a public university.

A summary of her presentation on Child Care Assistance in Iowa:

In November 2014, the Federal Child Care Development Block Grant was reauthorized. That was the first time it has been reauthorized since 1996. Before 1996, Child Care Assistance (CCA) was primarily looked at as a work support for working parents. Since then, much research exists that looks at child care as more than just a work support – for example, brain research shows us that 80% of a person's brain develops before the age of 3. During the 2014 reauthorization, new expectations were set forth for school readiness and increased eligibility for CCA.

Initial family eligibility in Iowa is set at 145% of the Federal Poverty Level (FPL). If the family's income limits are over that percentage, they are not eligible for assistance. Some of the additional qualifications for CCA eligibility are as follows. You:

- Have a child who needs care who is under the age of 13 (or under the age
  of 19 if the child has special needs).
- Are a member of a Family Investment Program (FIP) participant household.

If you're not a Family Investment Program participant, you may qualify for the CCA program if you:

- Have a child who needs care who is under the age of 13 (or under the age
  of 19 if the child has special needs) and have income under the program's
  limits and work an average of 28 hours per week; or
- Attend an approvable training or education program full-time; or
- Attend approvable training part-time and also work part-time for a total of at least 28 hours per week; or
- Are looking for work; or
- Become unable to work or attend school because of an approved medical reason.

Page stated that the state of Iowa serves around 20,000 children – 94% of those children are under 145% of the FPL; 60% of those children are between 0 and 100% of the FPL.

Page also outlined the changes that DHS put into effect on July 1, 2016. The first big change was that the Department increased the eligibility for CCA from 6 months to 12 months, so that families could get CCA for at least one year. The second big change was that the Department developed a CCA plus program, which is a second tier of eligibility. Basically, this program is as follows:

If, at the end of your 12-month eligibility period, your income goes above the monthly eligibility threshold, you may be eligible for another 12-month period of child care under the new CCA Plus exit eligibility program. Family income cannot exceed 85 percent of the State Median Income (this is approximately 267% of the FPL).

Allison added that to get DHS to move to opening up assistance eligibility to families at 200% of the FPL, there would be an estimated cost of \$28 million. As of right now, the changes made to CCA during the last several years are not fully funded at the State or Federal level.

Page also addressed what DHS pays to child care providers currently. DHS is paying providers at 2006 market survey rates. For those providers with a Quality Rating System (QRS) of 5, they reimburse providers at the 2014 market survey rate.

Page added that some child care providers do not accept children on assistance because DHS pays below private reimbursement rates and because of that some providers put a limit on how many kids/families receiving CCA they will accept.

Page stated that since October 1st, 2015, expectations for providers receiving CCA reimbursement have gone up.

Page added that child care is in infancy when it comes to how the general public looks at it. She stated that many are now taking the opportunity to look at the societal impact on the economy for our children receiving high quality care and education, and also assuring that families on assistance have access to quality programs.

Peters asked if an increase in eligibility for assistance was the right thing to focus on.

Page answered yes, as the short answer. But Page and Allison also stressed that the funding needed to get there would be approximately \$28 million to just get to the initial eligibility.

Page stated that when DHS implemented the CCA plus program, DHS has an \$8 million cost to implement the program. DHS found the money to cover those costs this fiscal year, but are not sure where the money will come from in the future. The CCA plus program was an unfunded mandate.

She added that since implementing the CCA plus program, over 1,000 children have been added since July 1st, 2016.

Carnahan asked what the average cost of child care in Iowa is.

Page answered that Child Care Aware recently did a study outlining the annual costs for infants around \$10,000 per year.

Gudenkauf asked if the business community gets involved in child care or child care advocacy in the state of Iowa.

Page answered that through the Early Childhood Iowa (ECI) Stakeholder Alliance there are several employers who are involved from the business community. She added that the workforce for early childhood education is primarily female (97%).

Carnahan asked how many companies provide child care as a benefit to employees.

Allison commented that what happens at the grassroots level does not involve DHS. Page added that DHS would know if there is a licensed program in Iowa, but would not know to which business in Iowa they are directly connected to.

Carnahan asked how many single parents (mothers) make up the number of working families in Iowa.

Allison added that they can look to see if they are able to sort by gender/single parent data.

Carnahan asked if they had heard of any movement related to the DHS budget.

Allison answered that their division submitted a status quo budget and asked if anything else was available that it go to unfunded mandates.

Page added that as a department, DHS recently went through a LEAN event and made a plan to accommodate additional Federal mandates.

Peters thanked Ryan Page and Julie Allison for their time, and for their presentation.

# Motion to adjourn:

Bagniewski made motion; Carnahan seconded.

Aye: all No: 0

Motion carried.

Meeting adjourned at 12:09 p.m.

Minutes prepared by Kristen Corey, staff.